



17 October 2007

DS SMITH PLC PRE-CLOSE TRADING UPDATE

DS Smith Plc, the international packaging manufacturer and office products wholesaler, today issues the following trading update for the half year ending 31 October 2007.

The Group's overall trading performance in the first half of 2007/08 has been good. The trends within the business segments have been broadly as described in our Interim Management Statement issued on 5 September 2007. Most significantly, the UK Paper and Corrugated Packaging segment has benefited strongly from the price increases implemented in the second half of 2006/07 to recover higher input costs. We anticipate that pre-exceptional profit before tax for the first half of the year will exceed £50 million (H1 2006/07: £29.0 million).

Looking ahead to the remainder of the financial year, key influences on the Group's performance will be the rate of our recovery of raw material cost increases, the level of demand across our markets in the light of any general economic slow-down and the extent of the normal seasonal increase in our energy costs during the winter months. The Board is confident that the Group will make substantial progress this year.

DS Smith will announce its results for the six months to 31 October 2007 on 5 December 2007.

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